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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

Judgment reserved on: 18.02.2026
Judgment pronounced on: 04.05.2026

\+ LPA 176/2023 & CM APPL. 11804/2023

TOYOTA JIDOSHA KABUSHIKI KAISHA .....Appellant

Through: Mr. Sandeep Sethi, Sr. Adv. with Mr. Peeyoosh Kalra, Mr. Gaurav Mukerjee, Mr. Amol Dixit, Mr. Suyash Malhotra, Mr. Krisna Gambhir, Ms. Shreya Sethi, Advs.

versus

TECH SQUARE ENGINEERING PVT LTD & ANR. .....Respondents

Through: Mr. Kapil Wadhwa and Mr. Anish Jandial, Adv. for R-1

Ms. Rukhmini Bobde, CGSC with Mr. Jatin Dhamija, Mr. Vinayak Aren and Ms. Aishwarya Nigam, Advs. for R-2

\+ LPA 177/2023 & CM APPL. 11807/2023

TOYOTA JIDOSHA KABUSHIKI KAISHA .....Appellant

Through: Mr. Sandeep Sethi, Sr. Adv. with Mr. Peeyoosh Kalra, Mr. Gaurav Mukerjee, Mr. Amol Dixit, Mr. Suyash Malhotra, Mr. Krisna Gambhir, Ms. Shreya Sethi, Advs.

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Ms. Rukhmini Bobde, CGSC with Mr. Jatin Dhamija, Mr. Vinayak Aren and Ms. Aishwarya Nigam, Advs. for R-2

+ LPA 178/2023 & CM APPL. 11810/2023

TOYOTA JIDOSHA KABUSHIKI KAISHA .....Appellant

Through: Mr. Sandeep Sethi, Sr. Adv. with Mr. Peeyoosh Kalra, Mr. Gaurav Mukerjee, Mr. Amol Dixit, Mr. Suyash Malhotra, Mr. Krisna Gambhir, Ms. Shreya Sethi, Advs.

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CORAM:
HON'BLE MR. JUSTICE C. HARI SHANKAR
HON'BLE MR. JUSTICE OM PRAKASH SHUKLA

JUDGMENT

% 04.05.2026

OM PRAKASH SHUKLA, J.

1. The present LPA, brings into focus the interplay between prior global adoption, cross-border reputation, and territorial use, in the context of the trademark *ALPHARD*, asserted by the Appellant.

2. The Appellant[1]-Toyota Jidosha Kabushiki Kaisha multinational automobile manufacturer of undisputed global standing, claims to have adopted the mark *ALPHARD* as early as 1986, with its continuous and extensive use worldwide since 2002. It is contended that the mark has acquired formidable goodwill and recognition,

[1] "Petitioner" before the learned Single Bench

including within India, by virtue of cross-border exposure and the availability of vehicles through imports.

3. The Respondent No.1[2], on the other hand, secured registration of the mark *ALPHARD* in India in 2015, on a "proposed to be used" basis, in relation to goods falling within the same business sector.

4. The Appellant alleges that such registration constitutes a clear instance of the misappropriation of a well-known mark, which predates the Respondent's registration. Consequently, the Appellant initiated rectification proceedings under Section 57 of the Trade Marks Act, 1999[3], seeking the removal of the impugned mark from the Register.

5. The learned Single Judge, by the impugned judgment dated 03.02. 2023, dismissed the Appellant's challenge, principally on the ground that the Appellant had failed to establish sufficient use and reputation of the mark *ALPHARD* within India prior to the Respondent's adoption and registration of the mark.

6. Aggrieved by the dismissal, the Appellant has preferred the present appeal, challenging the correctness of the learned Single Judge's findings and asserting that the mark *ALPHARD* had acquired sufficient recognition and goodwill within India prior to the Respondent's adoption.

[2] "Respondent" before the learned Single Bench
[3] "the Act" hereinafter

7. We have heard Mr. Sandeep Sethi, learned Senior Advocate for the Appellant, and Mr. Kapil Wadhwa, learned Counsel for Respondent No.1 at length. Both Sides have also submitted written submissions for our consideration.

FACTS

8. The Appellant, is a corporation duly incorporated under the laws of Japan. It is one of the world's leading automobile manufacturers and carries on business globally through its subsidiaries and affiliates.

9. Founded in the year 1937, the Appellant has, over the course of several decades, established a formidable presence in the automobile industry. Its vehicles being sold in over 170 countries and enjoy widespread recognition for quality, innovation, and reliability.

10. Among the several trademarks owned and used by the Appellant worldwide is the mark *ALPHARD*.The Appellant claims to have adopted the mark as early as 1986.It further asserted that the mark was commercially launched in connection with a luxury multi-purpose vehicle (MUV) in the year 2002.

11. The Appellant contends that the mark *ALPHARD* has, over time, acquired substantial goodwill and reputation on a global scale, supported by extensive sales, promotional activities, and widespread consumer recognition across various markets.

12. Insofar as India is concerned, the Appellant asserts that although the luxury vehicle under the *ALPHARD* mark was not formally launched in the Indian market, it was available in India through direct imports by automobile enthusiasts and private parties as early as 2008.

13. The Appellant further relies upon its established global reputation, online presence, and cross-border dissemination of information to contend that the mark *ALPHARD* had acquired spill-over reputation and goodwill within India prior to its formal introduction in the Indian market.

14. On the other hand, the Respondent No.1, Tech Square Engineering Pvt. Ltd., applied for registration of the mark *ALPHARD* in India under three classes namely Classes 9,12, and 27, under Registration Nos. 3093216, 3093218, and 3093219, respectively.

15. Upon becoming aware of the Respondent's registrations, the Appellant initiated rectification proceedings before the Registrar of Trade Marks, seeking removal of the impugned mark from the Register.The Appellant's grounds for seeking rectification include its prior adoption and use of the *ALPHARD* mark, which had already acquired trans-border reputation and goodwill. The Appellant further alleges that the Respondent's adoption of the mark was dishonest and *mala fide*,as it pertains to identical, allied, or cognate goods.

16. The rectification petitions were originally filed before the Intellectual Property Appellate Board[4] .However, upon abolition of the IPAB, these petitions were transferred to this Court and were adjudicated as C.O. (COMM.IPD-TM) 586/2022.

17. The learned Single Judge, by judgment dated 03.02.2023, dismissed the Appellant's petitions, holding that the Appellant had failed to demonstrate sufficient use or establish the reputation of the *ALPHARD* mark within India prior to the Respondent's adoption of the mark.

IMPUGNED JUDGMENT

18. The learned Single Judge proceeded on the foundational premise that, notwithstanding the Appellant's global stature and undisputed adoption of the mark *ALPHARD* over several decades, the Appellant had failed to establish the existence of goodwill or reputation within the territorial confines of India. The impugned judgment places determinative reliance on the absence of formal commercial use of the mark in India prior to the Respondent's adoption of the mark.

19. In this backdrop, the learned Single Judge held that the doctrine of transborder reputation, as expounded by the Supreme Court in Appellant's own case in ***Toyota Jidosha Kabushiki Kaisha v. Prius Auto Industries Ltd.*[5],** ("Prius" hereinafter) was applicable. However,

[4] "IPAB" hereinafter
[5] **(2018) 2 SCC 1**

the Appellant was found to have failed to discharge the necessary evidentiary burden required to demonstrate the spill-over of reputation into the Indian market.

20. The impugned judgment records that the materials relied upon by the Appellant, comprising international registrations, global sales figures, promotional materials, and instances of import of vehicles into India, were insufficient to establish that the mark *ALPHARD* had acquired the requisite degree of goodwill, reputation, and popularity within the Indian market so as to create a right of prior user in favour of the appellant.

21. Regarding the import-export shipments documents from 2014-2016, it was observed that not all consignments relates to the mark *ALPHARD* and that, in any event, the imports were undertaken by private parties, not the Appellant. As regards the articles and newspaper reports relied upon, the learned Single Judge noted that most of these were published after the Respondent had already secured registration of the mark *ALPHARD* in India, and therefore could not assist the Appellant in establishing prior reputation.

22. The learned Single Judge also noted that that the vehicle under the *ALPHARD* brand was never launched in India.In contrast, the same model was launched in the Indian market under the brand name VELLFIRE in February 2020.

23. Proceeding further, the learned Single Judge held that the Respondent No.1 was the prior adopter and *bona fide* user of the mark

ALPHARD in India since the year 2015 , and that the Respondent's use of the mark *ALPHARD*, including through its sister concerns, constituted as valid commercial exploitation of the mark in India.

24. The learned Single Judge further relied on the Appellant's own application for registration of the mark *ALPHARD* in India on a "proposed to be used" basis in 2017 to infer the absence of prior use within India.This was treated as weighing against the Appellant's claim of pre-existing goodwill or reputation in the domestic market.

25. On the issue of registrability under Sections 11(1), 11(2) and 11(3) of the Act, the learned Single Judge held that, in the absence of demonstrable prior reputation or use in India, the Appellant could not claim protection against a subsequent adopter. Consequently, the statutory bar against registration was held to be inapplicable.

26. The impugned judgment further records that the Appellant's reliance on global reputation and foreign registrations, absent cogent evidence of spill-over into India, could not suffice to invalidate the Respondent's registrations. The learned Single Judge emphasised the primacy of the territoriality principle, holding that reputation must be established within India and cannot merely inferred from international presence.

27. The learned Single Judge opined that the mere international use of the mark *ALPHARD* by the Appellant was insufficient to prove the spill-over of its trans-national reputation into India. It was noted that the evidence placed on record included only a single invoice, and the

Appellant's own case was that *ALPHARD* model was launched under a different brand name VELLFIRE, in India.

28. Insofar as the allegation of *mala fide* adoption by the Respondent is concerned, the learned Single Judge declined to accept the same. It was held that the Appellant had failed to establish that the mark *ALPHARD* had attained such notoriety in India as would render the Respondent's adoption of the mark dishonest or calculated to capitalize on the Appellant's goodwill.

29. In view of the above findings, the learned Single Judge upheld the validity of the Respondent's mark registration and concluded that no case for rectification of the register had been made out under the provisions of the Act.

PROCEEDINGS BEFORE THIS COURT

SUBMISSIONS ON BEHALF OF THE APPELLANT

30. Arguing for Toyota, Mr. Sandeep Sethi, learned Senior Counsel, advanced the following submissions:

30.1 The learned Senior Counsel argued that the Learned Single Judge has failed to consider, in its proper perspective, the overwhelming and uncontroverted material on record, which establishes the Appellant's prior rights, trans-border reputation, and the Respondent's palpably dishonest adoption of the mark. The conclusions drawn by the learned Single Judge are thus perverse, unsustainable, and liable to be set aside.

30.2 It was submitted that the Learned Single Judge has fundamentally erred in disregarding the Appellant's indisputable prior adoption of the mark *ALPHARD*, dating back to 1986, with commercial exploitation commencing at least in 2002 in respect of the Appellant's globally acclaimed luxury vehicles.This adoption predates the Respondent No. 1's application dated 05.11.2015,which was filed on a "proposed to be used" basis, thereby establishing superior rights. The mark enjoys extensive statutory protection across numerous jurisdictions, including Japan, China, Singapore, and Malaysia, and is supported by substantial sales and promotional efforts, demonstrating its distinctiveness and global reputation

30.3 The Learned Single Judge has failed to appreciate the overwhelming commercial success of the Appellant's mark, as evidenced by substantial sales turnover and significant promotional expenditure incurred over the years. These factors are crucial indicia of reputation and goodwill,and their disregard reflects a patent misappreciation of the evidence on record.

30.4 Further, the Learned Single Judge failed to appreciate that the Appellant's mark *ALPHARD* has achieved significant commercial success, supported by substantial sales and promotional expenditure, thereby establishing its reputation and goodwill. It was further contended that such reputation had extended to India well prior to the Respondent's adoption, with vehicles available in India through imports, independent listings, automotive platforms, and digital visibility since at least 2008. This consistent presence, coupled with

media coverage and consumer awareness, satisfies the requirement of spill-over reputation within India.The contrary finding reflects a misappreciation of the evidence on record.

30.5 Mr. Sethi submitted that the voluntary importation of *ALPHARD* branded vehicles by Indian consumers indicates recognition of the mark within the domestic market. When considered alongside the Appellant's global sales of over 8,50,000 units since 2002, sustained commercial success, and significant promotional investment, it is clear that the mark has acquired considerable goodwill and consumer loyalty worldwide. Therefore, there can be no doubt that such use and publicity have fostered consumer awareness and loyalty, including in India, enabling the mark to occupy a distinct niche, thereby qualifying it as a well-known trademark entitled to protection under the Act.

30.6 The Appellant has invested considerable capital, effort, and resources in promoting the mark, resulting in the acquisition of immense goodwill and indelible association with the Appellant worldwide, thereby attaining the status of a well-known trademark entitled to protection under the Act.

30.7 Mr. Sethi submitted that the mark *ALPHARD* enjoys extensive recognition globally, including in India, by virtue of its long, continuous, and extensive use and publicity. The mark has garnered substantial consumer loyalty and occupies a distinctive niche among both the trade and the public.

30.8 It was contended that the Respondent's adoption of an identical mark for identical goods is, *ex facie*, dishonest calculated solely to appropriate the Appellant's established reputation and goodwill. This lack of *bona fides* is further evident from the Respondent's inconsistent stands, i.e., at one stage claiming to have coined the mark and, at another, asserting it to be a dictionary word, thereby undermining its defence.

30.9 The Learned Single Judge has failed to appreciate that even if the mark were to be considered a dictionary word, its adoption in relation to automobiles, where it bears no descriptive or generic connotation, is neither natural nor *bona fide.* This adoption is clearly indicative of deliberate appropriation.

30.10 Mr. Sethi argued that despite securing registration of the mark under Class 12, the Respondent proceeded to file further applications extending the mark to allied and cognate goods. This conduct, undertaken with full knowledge of the Appellant's prior and well-established mark, reveals a calculated strategy to monopolise the mark across overlapping domains.Such conduct, when viewed cumulatively, demonstrates an intent to encroach upon the Appellant's goodwill, rendering the adoption *void ab initio* and incapable of being cured by subsequent use.

30.11 It was further contended that the continued use of the impugned mark by the Respondent would inevitably result in the dilution of the distinctive character of the Appellant's well-known mark, thereby eroding its exclusivity and diminishing its source-identifying function.

30.12 The learned Single Judge has also proceeded on an erroneous understanding of the law governing proprietorship. It is well-settled that priority in adoption, and not the volume or duration of use, is determinative of rights. Proprietorship does not hinge upon quantitative thresholds of use.

30.13 Mr. Sethi submitted that the Respondent's documentary evidence is inherently unreliable and devoid of probative value and has not been subjected to the requisite degree of judicial scrutiny.

30.14 It was also pointed out that the Respondent's application, having been filed on a "proposed to be used" basis, its subsequent reliance on documents purporting to evidence prior use constitutes a glaring and irreconcilable contradiction, exposing the falsity of its claim.

30.15 The invoices relied upon by the Respondent do not pertain to the Respondent but to third parties and sister concerns, including Tekstar Global Private Limited, and therefore cannot, in law, establish use by the Respondent. Moreover, a substantial number of such invoices are incomplete, involve undisclosed cash transactions, or lack essential particulars, rendering them wholly devoid of evidentiary value.

30.16 The additional documents relied upon, including presentations and alleged collaborations, are wholly irrelevant and do not even

reference the impugned mark, further demonstrating an attempt to mislead the Court.

30.17 As regards the principles applied by the learned Single Judge, Mr. Sethi submitted that the Learned Single Judge has fundamentally misdirected himself in applying the ratio of ***Prius*** *(supra)* without appreciating the materially distinguishable factual matrix of the present case.

30.18 Unlike in ***Prius*** *(supra)* where spill-over reputation within India was not established, the Appellant herein has demonstrated actual presence, consumer awareness, and market recognition within India through imports, digital accessibility, and sustained exposure.

30.19 The test of transborder reputation, as enunciated by the Supreme Court, stands fully satisfied in the present case, as the Appellant's mark has clearly permeated and established itself within the Indian market.

30.20 The learned Single Judge has further failed to appreciate the law as settled in ***N.R. Dongre & Ors v. Whirlpool Corp. & Anr***[6], wherein it was unequivocally held that a trade mark transcends territorial boundaries and acquires reputation through advertisement, publicity, and dissemination of knowledge, irrespective of actual physical sale within the jurisdiction.

[6] **[(1996) 5 SCC 714]**

30.21 Mr. Sethi further submitted that the existence of a tangible market is not a *sine qua non* for establishing reputation. A virtual presence, coupled with consumer awareness, is sufficient in law.

30.22 The impugned order proceeds on a fundamentally flawed application of law to facts and should therefore be set aside.

30.23 It was also contended that the Respondent's use of the impugned mark is inherently deceptive and bound to cause confusion among members of the trade and the public as to the source, origin, and quality of the goods. The mark having become exclusively associated with the Appellant, ought to have been refused registration under Section 9(2)(a) of the Act.

30.24 It was submitted that *ALPHARD* and VELFIRE are different and distinct marks representing different models of MUVs. Although both are MUV's and may share certain similarities in appearance, they are treated as separate products in several jurisdictions and have separate registrations.

30.25 In view of the foregoing, it was submitted that the impugned judgment is contrary to settled principles governing prior use, trans-border reputation, and dishonest adoption. The Respondent's mark is liable to be refused registration under Sections 11(1), 11(2), and 11(3) of the Act, and the impugned order is liable to be set aside.

SUBMISSIONS ON BEHALF OF THE RESPONDENTS

31. Arguing for Tech Square, Mr. Kapil Wadhwa learned Counsel advanced the following submissions:

31.1 At the outset, it was contended that the present appeal is wholly devoid of merit and ought to be dismissed at the threshold. It was submitted that the impugned judgment, is well-reasoned, legally sound, and does not warrant any interference by this Hon'ble Court in the exercise of its appellate jurisdiction.

31.2 It was submitted that Respondent No. 1 is the *bona fide* adopter, prior user, and registered proprietor of the trademark *ALPHARD* in India in respect of goods falling under Classes 9, 12, and 27, with adoption and continuous use dating back to the year 2015.

31.3 Learned counsel submitted that the Respondent independently coined and adopted the mark *ALPHARD* in 2015, and has since used the same continuously, extensively, and in the ordinary course of trade in relation to its goods.

31.4 It was further contended that the mark *ALPHARD* is derived from the name of a star, and its adoption by the Respondent is entirely arbitrary, distinctive, and *bona fide*, particularly in relation to automobile accessories.

31.5 The Respondent's use of the mark has not been confined to a single entity but extends across its business operations, including associated entities. This evidences consistent and commercial exploitation of the mark in India.

31.6 It was emphatically submitted that the Appellant has, by its own admission, neither launched, marketed, nor commercially used the mark *ALPHARD* in India in respect of goods falling under Classes 9, 12, or 27 at any point prior to the Respondent's adoption.

31.7 Learned counsel submitted that the Appellant has never claimed use of the mark in India in relation to the relevant goods and applied for registration only in November 2017, and that too on a "proposed to be used" basis, long after the Respondent's registrations had already been secured.

31.8 It was further contended that the Appellant is bound by its own pleadings before the Trade Marks Registry, where it acknowledged absence of use in India till 2017.The Appellant cannot now be permitted to take inconsistent positions before this Hon'ble Court.

31.9 In the absence of any actual use, it was submitted that the Appellant cannot claim any goodwill or reputation in India in respect of the mark *ALPHARD*. Any assertion of spill-over reputation must meet the stringent threshold of "substantial reputation," which the Appellant has failed to discharged.

31.10 It was further pointed out that according to the Appellant's own case, the vehicle in question was introduced in India only in 2020 under a different mark, VELLFIRE, thereby further negating any claim of prior goodwill or recognition in India.

31.11 It was submitted that the Appellant cannot invoke the provisions of Section 11 of the Act, as it does not qualify as an "earlier trade mark" within the meaning of the statute.

31.12 Learned counsel submitted that the Appellant neither possesses any prior registration in India nor any application predating the Respondent's registrations. Consequently, it lacks the statutory locus to challenge the Respondent's mark under Sections 11(1) and 11(2) of the Act.

31.13 It was further contended that the Appellant cannot derive any benefit under Section 11(3) of the Act, as it has failed to establish the existence of goodwill or reputation within India, which is a sine qua non for invoking protection against passing off.

31.14 The absence of any passing off action by the Appellant further reinforces the lack of goodwill or actionable reputation in India. Reliance was placed on ***Bennett Coleman and Co. Ltd. v. Vnow Technologies Private Limited and Anr***[7] in support of this submission.

[7] **2023/DHC/001066**

31.15 It was submitted that the Appellant has failed to establish any trans-border reputation in India in respect of the mark *ALPHARD*, as required under settled law.

31.16 Learned counsel contended that there is no credible evidence on record demonstrating actual use of the mark in India by the Appellant, whether through sales, advertisements, or any commercial activity.

31.17 The alleged instances of import relied upon by the Appellant are, at best, isolated and sporadic third-party transactions, which cannot constitute commercial use or establish goodwill attributable to the Appellant.

31.18 It was further submitted that the Appellant has not placed on record any invoices, advertisements, or other documentary evidence demonstrating market presence or consumer recognition of the mark in India.

31.19 Mere international use or reputation, it was argued, is insufficient to establish spillover reputation within India in the absence of cogent evidence of market penetration or consumer awareness.

31.20 Reliance was placed on the decision of this Bench in ***Sumit Vijay and Another v. Major League Baseball Properties Inc. and Another***[8]., where it was held that goodwill must be proven

[8] **2026 SCC OnLine Del 2**

substantially and sufficiently, and that the documents produced by the Appellants are not sufficient to prove goodwill.

31.21 Learned counsel placed strong reliance on the judgment of the Supreme Court in ***Prius*** *(supra)* to contend that the principle of territoriality squarely governs the present case.

31.22 It was submitted that in ***Prius*** *(supra)*, the Supreme Court declined relief to the Appellant on the ground that trans-border reputation had not spilled over into India, despite global use of the mark.

31.23 Drawing a parallel, it was contended that the Appellant herein stands on an even weaker footing, having failed to demonstrate any substantive reputation, goodwill, or market presence in India prior to the Respondent's adoption.

31.24 Applying the territoriality principle, it was argued that the burden squarely lies on the Appellant to establish goodwill and reputation within the Indian jurisdiction, which burden has not been discharged.

31.25 It was further submitted that there is no material on record to demonstrate that the Appellant enjoys any goodwill, reputation, or consumer recognition in India in respect of the mark *ALPHARD*, sufficient to confer rights of prior user.

31.26 Learned counsel contended that mere global reputation, in the absence of demonstrable spill-over into India, cannot defeat the statutory rights of a registered proprietor who has adopted and used the mark bona fide within the jurisdiction.

31.27 It was further submitted that the present case stands on a weaker footing than ***Prius*** *(supra),* as the Appellant has neither marketed nor advertised the mark in India and has failed to establish even minimal consumer awareness.

31.28 In view of the foregoing, it was submitted that the Appellant has failed to establish any prior rights, goodwill, or trans-border reputation in India, and is therefore not entitled to any relief.

31.29 The Respondent, being the *bona fide* adopter, prior user, and registered proprietor of the mark in India, is entitled to statutory protection under the provisions of the Act9.

31.30 It was accordingly prayed that the present appeal be dismissed with costs, and the impugned judgment be upheld.

REJOINDER BY MR. SETHI

32. In rejoinder, Mr. Sethi addressed the scope and interpretation of Section 11(5) of the Act, as understood in ***Bennett Coleman and Company Limited*** *(supra).* He submitted that Sections 11(2) and 11(3) embody relative grounds for refusal of registration, which are based on existence of prior rights, goodwill, and reputation in a mark.

32.1 It was contended that while Section 11(5) stipulates that the Registrar may not refuse registration under Sections 11(2) and 11(3) in the absence of opposition, such a procedural limitation must be read in conjunction with Section 57 of the Act. In particular, Section 57(2) permits "any person aggrieved" to seek rectification f the register on sufficient cause shown. The mere failure to oppose at the registration stage does not disentitle a person from subsequently invoking the grounds available under Section 11 of the Act, including the relative grounds for refusal based on prior use, goodwill, and reputation.

32.2 Addressing the reliance placed by the Respondents on the decision in ***Prius*** *(supra)* and ***Sumeet Vijay and Another****(supra),* Mr. Sethi submitted that these decisions were primarily based on the finding that the material on record was insufficient to establish goodwill or reputation in India. He contended that the factual matrix in the present case is distinguishable, as the Appellant has placed substantial material on record demonstrating the existence of reputation in India even prior to the Respondent's application.

32.3 It was submitted that substantial material has been placed on record by the Appellant to demonstrate that the mark *ALPHARD* has acquired reputation in India even prior to the Respondent's application. This includes evidence of the vehicles being imported, traded, and used by prominent individuals in India. This includes evidence of the vehicle being imported, traded, and used by prominent individuals in India. While the volume of such use may be limited due to the high-value nature of the product, the presence of such use is

significant, indicating a niche but established awareness and interest among the relevant consumer base.

32.4 Mr. Sethi relied on the judgment in ***Trustees of Princeton University v. VagdevI Educational Society and Others***[9] to counter the Respondents' contention that such imports were effected by third parties. It was submitted that third-party imports, where they are conducted with the knowledge and consent of the proprietor, do not negate the existence of reputation or goodwill in the mark. The Appellant's mark *ALPHARD* enjoys recognition and consumer interest, which is reflected by these imports and is sufficient to establish goodwill in India.

32.5 It was further contended that the Respondents have failed to establish any credible linkage demonstrating that the entities involved in the imports and sales are sister concerns. Consequently, the invoices relied upon by the Respondents,which refer to these third-party imports, must be treated as unreliable and lacking probative value. These documents cannot substantiate the Respondents' claims of use in India or establish their bona fide adoption of the mark.

32.6 In view of the above, Mr. Sethi submitted that the Respondents' adoption and registration of the mark *ALPHARD* is unsustainable in law. The Respondents have failed to establish that their use of the mark has been *bona fide* or that it has not caused confusion or dilution of the Appellant's reputation. As such, the Respondents' mark should

[9] **2025 SCC OnLine Del 6296**

be removed from the Register in accordance with Section 57 of the Act.

ANALYSIS AND FINDINGS

33. At the outset, before delving into the present dispute, it is necessary to first understand the scope of interference in an intra-court appeal, i.e. an LPA against the decision of the Single Judge of this court. The principles governing the scope of interference in such appeals have been well-settled in judicial precedents, which we shall now briefly examine.

34. Recently, in ***Bihar Industrial Area Development Authority and Others v. Scope Sales Pvt. Ltd. and Another***[10], the Supreme Court once again addressed the nature and extent of jurisdiction in an intra court appeal. The Court reiterated the limited scope of interference in such appeals, emphasizing that intervention is only justified when there are compelling reasons, such as manifest error or injustice. This principle, as elucidated by the Supreme Court, outlined below, guides our approach in the present case:

> "*In our view, the exercise of intra-court appellate jurisdiction is warranted only where the judgment or order under challenge is demonstrably erroneous or suffers from perversity. Such jurisdiction ought not to be invoked merely because another view is possible on the same set of facts, particularly where the view adopted by the Single Judge is a plausible and reasonable one. In other words, an intra-court appellate Bench ought not to substitute its own view, merely because such Bench considers its view to be better than the one taken by the Single Bench; so long as the view*

[10] **2026 SCC OnLine SC 112**

taken by the Single Bench is a plausible one, interference should stay at a distance."

35. Having understood the scope of interference, we now move on to the applicable statutory scheme governing the present dispute.

36. The dispute arises in the context of a petition for rectification of the trademark register, and it is essential to examine the provisions of the Act, particularly Section 57[11] of the Act, which governs the power to cancel or vary registration and rectify the Register.

37. Section 57 operates as a corrective mechanism to ensure that the Register of Trade Marks does not continue to carry marks that should not have been registered. This provision empowers the Court to order the removal or rectification of marks that were erroneously registered or are otherwise not entitled to remain on the Register. It is important to note that this provision falls for consideration, in the present dispute, as Appellant seek the removal of the Respondents' mark from the Register.

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[11] **57. Power to cancel or vary registration and to rectify the register**.—(1) On application made in the prescribed manner to the [26][High Court] or to the Registrar by any person aggrieved, the [27][Registrar or the High Court, as the case may be,] may make such order as it may think fit for cancelling or varying the registration of a trade mark on the ground of any contravention, or failure to observe a condition entered on the register in relation thereto.
(2) Any person aggrieved by the absence or omission from the register of any entry, or by any entry made in the register without sufficient cause, or by any entry wrongly remaining on the register, or by any error or defect in any entry in the register, may apply in the prescribed manner to the [28][High Court] or to the Registrar, and the [29][Registrar or the High Court, as the case may be,] may make such order for making, expunging or varying the entry as it may think fit.
(3) The [30][Registrar or the High Court, as the case may be,] may in any proceeding under this section decide any question that may be necessary or expedient to decide in connection with the rectification of the register.
(4) The [31][Registrar or the High Court, as the case may be,], of its own motion, may, after giving notice in the prescribed manner to the parties concerned and after giving them an opportunity of being heard, make any order referred to in sub-section (1) or sub-section (2).
(5) Any order of the [32][High Court] rectifying the register shall direct that notice of the rectification shall be served upon the Registrar in the prescribed manner who shall upon receipt of such notice rectify the register accordingly.

38. Section 57 has been the subject matter of authoritative exposition by this Court, including in cases such as ***BPI Sports LLC v. Saurabh Gulati and Ors.***[12] and more recently in ***Sumit Vijay and Another*** *(supra)*. In these decisions, authored by one of us (C. Hari Shankar. J.), the contours of Section 57 and its interplay with other provisions of the Act were discussed. These decisions provide valuable guidance on how the Court should approach cases involving the rectification of the register.

39. To lend clarity to the discussion and aid in understanding the present issue, we deem it relevant to highlight the findings in ***Sumit Vijay and Another*** *(supra)*, where the application of Section 57 was discussed. The same merits reproduction here for a cleared understanding:

> *"5.1 Sections 47 and 57 are the only provisions, in the Trade Marks Act, under which a registered trade mark of one person can be removed from the Register of Trade Marks at the instance of another. Section 47 allows the mark to be removed on the ground of continuous disuse. Section 57(1) allows removal of a registered trade mark if any condition, in relation to the mark and entered in the Register, is contravened or not observed.*
>
> *5.2 These provisions do not concern us. We are concerned with Section 57(2).*
>
> *5.3 Section 57(2) can be invoked by any person who is aggrieved*
>
> > *(i) by the absence from the Register of any entry, or*
> > *(ii) by any entry made without sufficient cause, or*
> > *(iii) by any entry which wrongly remains on the Register, or*
> > *(iv) by any error or defect in any entry in the Register, and*
> > *empowers the Registrar, or the High Court, to make, expunge or vary the entry. Circumstances (ii) and (iii), if*

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accepted, would naturally result in expunction of the entry, as has happened here.

5.4 The circumstances in which a trade mark can be said to be "wrongly remaining" on the Register are not elucidated in Section 57. Nor are they to be found elsewhere in the Trade Marks Act. In the circumstances, one has to refer, for the purpose, to Sections 9 and 11, which set out the grounds on which registration of a trade mark can be refused. If a mark ought not to have been registered in the first place, as it breached the proscriptions contained in Section 9 or Section 11, the sequitur is, naturally, that it ought not to remain on the Register.

5.5 The circumstances in which the Registrar can refuse to register a trade mark, as envisaged in Sections 9 and 11, are many and varied. Of these, Section 9 contains "absolute" grounds of refusal, whereas Section 11 contains "relative" grounds of refusal. Section 9 does not concern us, as the respondent has not invoked any clause thereof."

40. It can be understood that Section 47 and 57 are the two primary provisions under which a registered trademark may be removed from the Register. Section 57, in particular, enables the Court to rectify the Register by removing marks that were wrongly registered, whether due to oversight, misrepresentation, or other errors.

41. Additionally, Section 57(2) envisages cases where an entry has been made without sufficient cause, where it remains on the Register without justification, or where the entry suffers from any error or defect. However, the Act does not define the expression "wrongly remaining on the Register" or set out the precise circumstances in which a trademark may be removed. In such cases, it is necessary to refer to Sections 9 and 11, which prescribe the circumstances under which a mark ought not to have been registered in the first place.

42. If a mark could not have been registered in the first place, having regard to the prohibitions contained in Sections 9 or 11, it cannot be permitted to remain on the Register. Thus, Section 57 enables the Court to undo an erroneous registration, whether the error arose from oversight, misrepresentation, or any other factor that renders the mark ineligible for registration.

43. Before embarking on an inquiry as to whether the mark was wrongly registered under Sections 9 or 11, it would be useful to first understand the scope and purport of those Sections. Section 9 deals with absolute grounds for refusal, while Section 11 addresses relative grounds for refusal. Section 9 examines the mark in isolation, whereas Section 11 looks at the mark in relation to an earlier mark or prior rights held by another party.

44. In the context of this matter, the Appellants have invoked the grounds enumerated in Section 11. Specifically, they seek the removal of the Respondent's mark on the ground of (i) Prior adoption, worldwide registrations, and use of the mark *ALPHARD* by the Appellant, (ii) Reputation and goodwill in India, supported by evidence of trans-border reputation, (iii) Dishonest adoption of the mark by the Respondent.

45. Therefore, the enquiry in this case is confined to Section 11, which deals with the relative grounds for refusal. We will now examine whether the Respondent's mark ought to be removed based on the grounds raised by the Appellant under Section 11, specifically focusing on prior adoption, trans-border reputation, and the alleged

dishonest adoption by the Respondent. For the sake of clarity, Section 11 is reproduced below:

> *"11. Relative grounds for refusal of registration.—(1) Save as provided in section 12, a trade mark shall not be registered if, because of—*
>
> *(a) its identity with an earlier trade mark and similarity of goods or services covered by the trade mark; or*
>
> *(b) its similarity to an earlier trade mark and the identity or similarity of the goods or services covered by the trade mark, there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.*
>
> *(2) A trade mark which—*
>
> *(a) is identical with or similar to an earlier trade mark; and*
>
> *(b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is registered in the name of a different proprietor, shall not be registered if or to the extent the earlier trade mark is a well-known trade mark in India and the use of the later mark without due cause would take unfair advantage of or be detrimental to the distinctive character or repute of the earlier trade mark.*
>
> *(3) A trade mark shall not be registered if, or to the extent that, its use in India is liable to be prevented—*
>
> *(a) by virtue of any law in particular the law of passing off protecting an unregistered trade mark used in the course of trade; or*
>
> *(b) by virtue of law of copyright.*
> *(4) Nothing in this section shall prevent the registration of a trade mark where the proprietor of the earlier trade mark or other earlier right consents to the registration, and in such case the Registrar may register the mark under special circumstances under section 12.*
>
> *Explanation.—For the purposes of this section, earlier trade mark means—*

1[(a) a registered trade mark or an application under section 18 bearing an earlier date of filing or an international registration referred to in section 36E or convention application referred to in section 154 which has a date of application earlier than that of the trade mark in question, taking account, where appropriate, of the priorities claimed in respect of the trade marks;]

(b) a trade mark which, on the date of the application for registration of the trade mark in question, or where appropriate, of the priority claimed in respect of the application, was entitled to protection as a well-known trade mark.

(5) A trade mark shall not be refused registration on the grounds specified in sub-sections (2) and (3), unless objection on any one or more of those grounds is raised in opposition proceedings by the proprietor of the earlier trade mark.

(6) The Registrar shall, while determining whether a trade mark is a well-known trade mark, take into account any fact which he considers relevant for determining a trade mark as a well-known trade mark including—

(i) the knowledge or recognition of that trade mark in the relevant section of the public including knowledge in India obtained as a result of promotion of the trade mark;

(ii) the duration, extent and geographical area of any use of that trade mark;

(iii) the duration, extent and geographical area of any promotion of the trade mark, including advertising or publicity and presentation, at fairs or exhibition of the goods or services to which the trade mark applies;

(iv) the duration and geographical area of any registration of or any application for registration of that trade mark under this Act to the extent that they reflect the use or recognition of the trade mark;

(v) the record of successful enforcement of the rights in that trade mark, in particular the extent to which the trade mark has been recognised as a well-known trade mark by any court or Registrar under that record.

(7) The Registrar shall, while determining as to whether a trade mark is known or recognised in a relevant section of the public for the purposes of sub-section (6), take into account—

(i) the number of actual or potential consumers of the goods or services;

(ii) the number of persons involved in the channels of distribution of the goods or services;

(iii) the business circles dealing with the goods or services, to which that trade mark applies.

(8) Where a trade mark has been determined to be well known in at least one relevant section of the public in India by any court or Registrar, the Registrar shall consider that trade mark as a well-known trade mark for registration under this Act.

(9) The Registrar shall not require as a condition, for determining whether a trade mark is a well-known trade mark, any of the following, namely:—

(i) that the trade mark has been used in India;

(ii) that the trade mark has been registered;

(iii) that the application for registration of the trade mark has been filed in India;

(iv) that the trade mark—

(a) is well-known in; or

(b) has been registered in; or

(c) in respect of which an application for registration has been filed in, any jurisdiction other than India, or

(v) that the trade mark is well-known to the public at large in India.

(10) While considering an application for registration of a trade mark and opposition filed in respect thereof, the Registrar shall—
(i) protect a well-known trade mark against the identical or similar trademarks;

> *(ii) take into consideration the bad faith involved either of the applicant or the opponent affecting the right relating to the trade mark.*
>
> *(11) Where a trade mark has been registered in good faith disclosing the material information to the Registrar or where right to a trade mark has been acquired through use in good faith before the commencement of this Act, then, nothing in this Act shall prejudice the validity of the registration of that trade mark or right to use that trade mark on the ground that such trade mark is identical with or similar to a well-known trade mark."*

46. Sub-section (1) of Section 11 proscribes registration where the mark sought to be registered is identical with, or similar to, an "earlier trade mark" and is sought to be used in respect of identical or similar goods or services, thereby giving rise to a likelihood of confusion. This provision is designed to prevent confusion among the public by ensuring that marks which are likely to cause confusion due to their similarity to an earlier mark are not allowed to be registered.

47. Under Section 11(2), even where the goods or services are not similar, registration can still be refused if the earlier mark is a "well-known" trade mark in India and the use of the later mark, without due cause, would take unfair advantage of, or be detrimental to, the distinctive character or repute of that earlier mark. This provision safeguards the rights of well-known marks by preventing dilution or exploitation of their reputation in India.

48. It is important to note that both sub-sections (1) and (2) are applicable only in the case of an "earlier trade mark". In other words whose registration is sough is identical or similar to an "earlier trade

mark". Therefore, the determination of what constitutes an "earlier trade mark" is crucial for the applicability of these provisions.

49. The term "earlier trade mark" is defined in the explanation to Section 11. This Court, in ***Sumit Vijay and Another*** *(supra)*, elaborated on the concept of an "earlier trade mark" as follows:

> *"11.4. The expression "earlier trade mark", for the purposes of Sections 11(1) and 11(2) stands defined in the Explanation below Section 11(4). A mark would qualify as an "earlier trade mark" plainly said, if (i) it was a prior registered trade mark, or (ii) an application for registration of the trade mark was pending before the Registrar, or (iii) it was a well-known trade mark on the date of application for registration of the latter mark."*

50. In simple terms, a mark qualifies as an "earlier trade mark" if it satisfies any of the following conditions: (i) it is already a registered trade mark, (ii) its registration application is pending before the Registrar, or (ii) it is recognised as a well-known trade mark on the date the later mark is applied for.

51. In this matter, clearly the Appellant's mark is neither a prior registered mark in India nor has any application been made for its registration before the Registrar. Thus, for the provisions of Section 11(1) and 11(2) to be triggered, the Appellant's mark must qualify as a "well-known" trade mark in India.

52. The determination of whether a mark qualifies as a "well-known" trade mark is governed by Section 11(6) to (10) of the Act, which outlines the factors to be considered. These factors include:

i. the knowledge or recognition of the mark in the relevant section of the public, including recognition in India arising from promotion;

ii. the duration, extent and geographical area of use of the mark;

iii. the extent and nature of promotion and publicity, including advertisements and exhibitions;

iv. the extent of registration or applications for registration of the mark; and

v. the record of enforcement of rights in the mark, including recognition by courts or authorities.

These factors are crucial in determining whether a mark qualifies as a "well-known" trade mark and thus entitles the Appellant to seek protection under Section 11.

53. Moving further, other grounds of refusal are addressed under Section 11(3), which stipulates that the registration must also be refused if the use of the mark in India would be prevented by law, especially by the law of passing off protecting an unregistered mark or by copyright law. This provision seeks to ensure that marks that are likely to infringe upon unregistered rights or other intellectual property rights are not allowed registration.

54. Under Section 11(4), if the proprietor of the earlier trade mark or earlier right consents, the Registrar is not barred from registering the mark. In such cases the Registrar may permit registration under Section 12, which provides for registration in cases of honest concurrent use or other special circumstances.

55. Section 11(5) stipulates that refusal on the grounds of sub-sections (2) and (3) ordinarily cannot happen unless such an objection is raised in opposition proceedings by the proprietor of the earlier mark. This provides procedural clarity regarding when objections based on these grounds may be raised.

56. As discussed above, Sub-sections (6) to (10) of Section 11 stipulates the factors that help determine whether a mark qualifies as "well-known". These include the extent of use, recognition, promotion, registration, and enforcement of rights, all of which be evaluated to establish the well-known status of a trade mark.

57. In summary, Section 11 plays a crucial role in refusing applications where an earlier conflicting mark or prior right is at issue. It ensures which may cause confusion, unfair advantage, or detriment to the distinctiveness of a well-known or earlier trade mark are not registered. The provisions under Section 11 thus serve as an important safeguard to protect the interests of those holding earlier or well-known marks from potential harm caused by the registration of similar or identical marks.

58. Also keeping in mind the definition of well-known mark under Sections 2(1) (zg)[13] of the Act which states that a mark qualifies as "well-known" mark if it has acquired recognition and reputation among a substantial segment of the public that actually purchases or use the mark. The law does not require the mark to be universally known across the entire population; rather it must enjoy real and substantial recognition within the relevant consumer segment that engages with those particular goods or services.

59. Thus, the Registrar, when applying Section 11 must look beyond simply counting how many people actually use or could potentially use a well-known brand's products or services , but what matters is the recognition or the knowledge of the mark in that relevant section of the public.

60. The Appellants herein assert that their mark has been used and registered worldwide and has also acquired a trans-border reputation in India. Given the significance of this claim, it is also important to note that ***Prius****(supra)* should not be read as rejecting the concept of cross-border reputation. Rather, it should be understood as holding that Toyota failed on facts because Prius brand lacked a real commercial presence, sufficient publicity, and inadequate consumer recognition in India. The Court's focus in ***Prius*** *(supra)* was on the failure to prove actual recognition and presence of the mark in India, which are critical elements for establishing trans-border reputation.

[13] (*zg*) "well-known trade mark", in relation to any goods or services, means a mark which has become so to the substantial segment of the public which uses such goods or receives such services that the use of such mark in relation to other goods or services would be likely to be taken as indicating a connection in the course of trade or rendering of services between those goods or services and a person during the mark in relation to the first mentioned goods or services.

61. In the present case, the Appellant must show that the mark has made a substantial imprint on the Indian market, even if no direct sales were made. The necessary territorial goodwill can be shown through spill-over reputation, such as extensive advertisements, promotions, and general public awareness. The core test is whether a significant and noteworthy segment of the relevant Indian consumer base recognizes the mark and associates it with the claimant.

62. Having discussed the applicable statutory provisions and legal principles governing trans-border reputation, we shall now advert to the facts of the present appeal.

63. In the present case, the nature of the goods in question i.e. luxury multi-purpose vehicles, assumes significant importance. In markets for luxury goods, consumer awareness is not driven by mass penetration but rather by brand visibility and global reputation. Therefore, evidence such as imports and niche market presence holds heightened probative value, especially when establishing the reputation and goodwill of the mark in the relevant territory.

64. It is undisputed that the Appellant is the prior adopter of the mark globally, with adoption dating back to 1986 and commercial use commencing in 2002. In contrast, the Respondents' adoption of the mark is relatively recent, with its application filed in 2015 on a "proposed to be used" basis.

65. The controversy, therefore, is not the priority of adoption per se, but whether the Appellant's prior adoption of the mark translates into protectable goodwill within India, such that the Appellant's mark qualifies for protection under Indian law.The crux of the matter lies in determining whether the Appellant's mark, by virtue of its alleged prior adoption and asserted trans-border reputation, qualifies as a "well-known" trade mark on the date of the Respondents' application for registration.

66. The learned Single Judge,in dismissing the petition under Section 57, proceeded on the premise that, in the absence of a formal commercial launch of the *ALPHARD* vehicle in India, no goodwill or reputation could be established. According to the learned Single Judge, the Appellant has failed to discharge the onus of proving the reputation and goodwill of the mark *ALPHARD* here in India.

67. The learned Single Judge made the following specific findings to reject the Section 57 petition, (i) The Appellant failed to provide a single invoice showing that it had sold any vehicle under the *ALPHARD* mark in India, (ii) The Appellant did not advertise the said brand in any form within India, (iii) Documents such as international brochures, annual reports, awards, worldwide trademark registration certificates, and promotional materials were relatedonly to international use, not Indian use, (iv) Imports and sale documents indicated that imports were made by third parties, not by the Appellant, (v) The articles submitted by the Appellant were published after the Respondent had secured registration of the impugned mark.

68. Mr. Sethi argued that although *ALPHARD* vehicle had not yet been formally launched in India, it had been available in the country since at least 2008 by way of direct imports by individuals and vehicle enthusiasts. In support of this claim, the Appellant submitted the following evidence:

> *a. www.cartrade.com Listing for sale of a second hand 1 vehicle under the Appellant's mark ALPHARD (Manufactured/Registered in the year 2008);*
>
> *b. www.car.mitula.in (Page Nos. 839 to 842) Listings for sale of a second hand vehicle under the Appellant's mark ALPHARD in Mumbai (Model 2008 and 2007);*
>
> *c. www.glorious-car.blogspot.in (Page Nos. 860 to 862) Advertisement of a vehicle under the Appellant's mark ALPHARD dated October 23, 2009;*
>
> *d. www.myk384.blogspot.in (Ultimate Car Guide Blog) Listing of a vehicle under the Appellant's mark ALPHARD dated December 10, 2013 (Page No. 864);*
>
> *e. www.cars.trovit.co.in (Page Nos. 887 & 888) Listings for sale of a second-hand vehicle under the Appellant's mark ALPHARD in Mumbai/Delhi (Model 2008, 2007, 2009);*
>
> *f. www.carswale.com (Page No. 890) Listings for sale of a second-hand vehicle under the Appellant's mark ALPHARD in Mumbai (Model 2008);*
>
> *g. www.team-bhp.com Discussion about the Appellant's vehicle under the mark ALPHARD on an Indian blog, Team BHP (Page Nos. 843 to 847, 851, 854, 857 and 891 to 895);*
> *h. www.motorcane.com Indian article dated April 16, 2015 (Page Nos. 868 to 869) on the Appellant's vehicle under the mark ALPHARD;*
>
> *i. www.bharathautos.com Indian article dated September 01, 2016 (Page No. 870) on the Appellant's vehicle under the mark ALPHARD;*
>
> *j. www.indianautosblog.com Indian article dated January 27, 2015 (Page Nos. 873 to 875) on the Appellant's vehicle under the mark ALPHARD;*

k. www.indianautoblog.com India article dated March 24, 2015 (Page Nos. 683 to 685) on the Appellant's vehicle under the mark ALPHARD;

l. www.theautomotiveindia.com Discussion on the India blog, The Automotive India, dated October 15, 2010 (Page Nos. 896 & 897) about Tamil Nadu Chief Minister's vehicle under the Appellant's mark ALPHARD;

m. Times of India classified advertisement dated October 8, 2010 (Page No. 899) for sale of the Appellant's vehicle under the mark ALPHARD in Mumbai (Model 2004);

n. Times of India article dated November 22, 2011 (Page No. 900) re Mr. Gautam Adani's vehicle under the Appellant's mark ALPHARD;

o. www.zauba.com (Page No. 1122 to 1124) Data on the import of the Appellant's vehicle under the mark ALPHARD into India

69. Mr Sethi emphasized the fact that private parties had in fact independently imported the Appellant's vehicle under the *ALPHARD* mark into India is in itself powerful evidence of the mark's reputation and goodwill in the country. According to him, this unsolicited importation establishes beyond doubt the recognition of the Appellant's mark by Indian consumers, as there can be no greater evidence of the mark's goodwill than its independent introduction into the market by third parties.

70. We agree with Mr Sethi's submission. Such unsolicited importation is not a neutral or accidental occurrence. Rather, it reflects a conscious commercial decision, driven by the recognition and attractiveness of the Appellant's mark among Indian consumers and traders. This indicates that the mark has achieved a significant level of

awareness and desirability in India, even in the absence of formal commercial sales by the Appellant.

71. The material on record demonstrates that there exists a definite consumer base and demand for goods bearing the *ALPHARD* mark. The goodwill attached to the mark is sufficiently strong to motivate independent market actors to import the goods into India without any prompting from the Appellant. In such circumstances, we find that there is no more compelling or persuasive proof of reputation and goodwill in India.Goodwill is best evidenced not by mere assertion, but by the response of the market itself, and in this case, the market has spoken unequivocally in favour of the Appellant's mark.

72. We are satisfied that the Appellant has placed on record a substantial body of material demonstrating that the mark *ALPHARD* had acquired recognition within India prior to the Respondent's application dated 05.11.2015. This materials on record, taken as a whole, clearly supports the Appellant's claim of a trans-border reputation and establishes the goodwill attached to the mark within the Indian market.

73. It is crucial to recognize that the nature of the goods in question, high-value luxury automobiles, necessarily influences how market presence and reputation should be assessed. Unlike mass-market products, the penetration of such goods is inherently limited to a niche, specialised consumer segment. Consequently, the indicia of reputation must be evaluated accordingly, considering the targeted consumer base rather than broad public penetration.

74. At this juncture, we wish to refer to the judgment of ***Prius*** *(supra)* wherein the Supreme Court clearly held that the existence of a "real" market is not a precondition to establishing a trans-border reputation. Instead, presence in a subtle form within the relevant territory can give effect to the territoriality principle. The Court further held that if there are customers for the claimant's products in a jurisdiction, then the claimant stands in the same position as a domestic trader in that market. The relevant paragraphs of the ***Prius*** *(supra)* decision, as reproduced, reflect these findings:

> "*32. Prof. Cristopher Wadlow's view on the subject appears to be that the test of whether a foreign claimant may succeed in a passing-off action is whether his business has a goodwill in a particular jurisdiction, which criterion is broader than the "obsolete" test of whether a claimant has a business/place of business in that jurisdiction. If there are customers for the claimant's products in that jurisdiction, then the claimant stands in the same position as a domestic trader.*
>
> *33. The overwhelming judicial and academic opinion all over the globe, therefore, seems to be in favour of the territoriality principle. We do not see why the same should not apply to this country.*
>
> *34. To give effect to the territoriality principle, the courts must necessarily have to determine if there has been a spill-over of the reputation and goodwill of the mark used by the claimant who has brought the passing-off action. In the course of such determination it may be necessary to seek and ascertain the existence of not necessarily a real market but the presence of the claimant through its mark within a particular territorial jurisdiction in a more subtle form which can best be manifested by the following illustrations, though they arise from decisions of courts which may not be final in that particular jurisdiction.*

75. In ***Prius*** *(supra)*, the evidence was held insufficient to establish any substantial goodwill or reputation of the product in India at the

relevant time. This was because the car had only entered the Indian market in 2009-2010, with negligible advertisement or sales prior to 2001. Additionally, the limited online material available was deemed insufficient to infer reputation, and there was a lack of awareness among the relevant section of the Indian public.

76. In contrast, the present case is distinguishable on facts. The Appellant has demonstrated prior reputation for its vehicle, substantiated by substantial published material, including evidence of sales through third parties. This distinction in the factual matrix makes ***Prius*** *(supra)* inapplicable to the present case.

77. While it is true that the imports of the Appellant's vehicle were effected by private individuals, this circumstance does not diminish their evidentiary value. On the contrary, voluntary importation by consumers strongly indicates pre-existing awareness and demand. The act of importing a luxury product is not undertaken in the absence of recognition of the product's source or reputation.

78. In the context of miche luxury goods, such imports acquire heightened significance, as they reflect conscious consumer demand and recognition of the brand, further supporting the Appellant's claim of goodwill in India.

79. The test, therefore, is not one of mere visibility, but of recognition, whether the mark had, prior to the relevant date, acquired a discernible association in the minds of the relevant section of the public within India. In this case, the relevant section comprises

consumers and market participants in the luxury automobile segment, for whom recognition of the *ALPHARD* mark is both meaningful and significant.

80. The Respondent has sought to characterise the Appellant's evidence as sporadic and insufficient. However, this submission proceeds on an incorrect standard. The law does not require mass-market penetration or extensive commercial sales to establish reputation. As recognised under Section 11(6) and (7) of the Act, it is sufficient if the mark is known within the relevant section of the public. In the present case, this relevant section comprises consumers and market participants in the luxury automobile segment, and the Appellant has demonstrated recognition within that group.

81. Considering the factors laid down in Sections 11(6) to 11(10), it can be concluded that the Appellant's mark *ALPHARD* has crossed the threshold from mere foreign reputation to actionable recognition within India. The evidence clearly demonstrates that the mark is recognized within the relevant consumer segment in India, thereby qualifying as a "well-known" trade mark under Indian law.

82. The learned Single Judge appears to have proceeded on the erroneous assumption that the absence of widespread or mass-market presence is fatal to the Appellant's claim. In our view, this amounts to applying a standard of general public recognition, which is not contemplated under Section 11(6) or under the doctrine of trans-border reputation. The law acknowledges that reputation in a niche

market, even without mass penetration, is sufficient to establish a well-known mark.

83. Equally, the fact that the Appellant subsequently applied for registration on a "proposed to be used" basis in 2017 does not diminish its claim of prior reputation. Such an application reflects the absence of a formal commercial launch but does not negate the existence of spill-over goodwill that had already accrued. The mere fact of a "proposed to be used" application does not detract from the Appellant's reputation in India, especially in the absence of a formal commercial launch.

84. Turning to the Respondent's adoption of the mark, the explanation that the mark is derived from the name of a star does not, in the facts of the present case, appear entirely convincing. The adoption of an identical mark in the same field of business or in relation to cognate goods or services, particularly against the backdrop of the Appellant's global reputation, raises a serious doubt as to the *bona fides* of such adoption.

85. The inconsistencies in the Respondent's stand, at one stage claiming coinage of the mark, and at another attributing its origin to a dictionary or astronomical reference, further detract from the credibility of its explanation. These contradictory statements undermine the Respondent's argument and suggest an attempt to obscure the true nature of the adoption.

86. In such circumstances, the adoption of the mark "*ALPHARD*" by the Respondent cannot be viewed as entirely fortuitous or innocent. On the contrary, it bears the hallmark of an attempt to appropriate a mark that already exists internationally, thus potentially infringing upon the Appellant's rights.

87. The Respondent has relied upon invoices and other documents to establish the use of the mark. However, as rightly contended by Mr. Sethi, a substantial portion of this material pertains to third parties or alleged sister concerns, without any clear legal nexus being established. Such documents cannot be deemed reliable unless a valid connection between the Respondent and the entities involved is established.

88. It is undisputed that all invoices are in the name of *Tekstar Global Private Limited*, and not the Respondent itself. The Respondent attempts to overcome this issue by describing the entity as a "sister concern". However, no material has been placed on record to substantiate this claim, such as evidence of common shareholding, management control, or any formal commercial arrangement between the Respondent and *Tekstar*.

89. In the absence of such foundational evidence, the invoices cannot, in law, be attributed to the Respondent. A mere assertion of corporate association, unsupported by documentary proof, cannot convert the actions of a third party into use by the proprietor.

90. It is further noted that several invoices record cash transactions, without disclosing the identity or address of the purchasers. Such undocumented transactions cannot be regarded as reliable proof of commercial use in the ordinary course of trade. The lack of basic details regarding the transactions further weakens the Respondent's case.

91. The evidentiary value of such documents is therefore, limited. The Respondent's claim of continuous and bona fide commercial use cannot be accepted at face value, particularly in light of the contradictions surrounding its adoption and use of the mark.

92. This Court is, therefore, constrained to hold that the Respondent has failed to discharge the burden of proving prior user. The reliance placed on defective and unsubstantiated material cannot sustain a claim of proprietorship in law. The Respondent has not sufficiently demonstrated that it holds any prior right or goodwill in the mark *ALPHARD*.

93. The learned Single Judge placed considerable reliance on the fact that the material relied upon by the Appellant, such as instances of import, media references, and public domain material, did not constitute "use" of the mark by the Appellant itself. This reasoning, in our considered view, cannot be sustained in law.

94. The issue of "use" is no longer *res integra*. A Division Bench of this Court, in ***Trustees of Princeton University****(supra)* has authoritatively clarified the ambit of "use" under Section 2(2)(c)(ii) of

the Act. The Court held that the statutory definition of "use" does not confine it to acts of the proprietor alone but extends to any statement in the public domain that associates the mark with the availability or performance of the services.

95. The learned Single Judge's approach, discounting such material solely because it did not emanate from the Appellant, is inconsistent with the statutory framework and binding precedent. As established in ***Trustees of Princeton University*** *(supra)*, "use" can be inferred from third party actions and public domain references that associate the mark with the goods or services and is not restricted to formal commercial sales by the proprietor.

96. The marks in question are identical, and are used in relation to allied and cognate goods. In such circumstances, the likelihood of confusion is not merely probable, but inevitable. Consumers are likely to confuse the Respondent's mark with that of the Appellant, particularly given the similarity of the marks and the overlap in the goods and services offered.

97. The continued use of the impugned mark by the Respondent would inevitably lead to an association with the Appellant, causing confusion as to source, origin, and affiliation. Such confusion could be detrimental to the Appellant's reputation and brand integrity, particularly given the recognition that the Appellant's mark has garnered internationally.

98. In light of the foregoing, the balance decisively tilts in favour of the Appellant. The Respondent cannot be permitted to retain an identical mark in circumstances which disclose an attempt to appropriate pre-existing goodwill. The Respondent's actions, in attempting to register a mark so similar to the Appellant's are contrary to the principles of fairness and the protection of intellectual property rights.

99. This case falls squarely within the scope of marks that are "wrongly remaining on the Register" under Section 57(2) of the Act. The Respondent's mark should be removed from the Register, as its continued presence violates the Appellant's established rights and creates an unjust enrichment at the Appellant's expense.

CONCLUSION

100. Upon a holistic consideration of the material on record, we are satisfied that:

i. The Appellant has established prior adoption of the mark *ALPHARD* and has established its spill-over reputation within India, supported by substantial evidence of recognition and goodwill in the Indian market.

ii. The Respondent's adoption of the mark lacks *bona fides* and is not entirely innocent, given the inconsistencies in their explanation and the proximity of the mark to the Appellant's internationally recognized brand.

iii. The impugned registrations are in contravention of the provisions of Section 11 of the Act, and the marks are "wrongly remaining on the Register" within the meaning of Section 57.

101. We are further satisfied that the mark *ALPHARD* was a "well known" trade mark at the time of Respondent's application. The evidence presented by the Appellant sufficiently establishes the mark's international reputation, which had spilled over into India, qualifying it for protection under the applicable provisions of Indian trademark law.

102. In light of the above findings, we deem it appropriate to order the removal of the impugned registration for the mark *ALPHARD* in favour of the Respondent, specifically under Registration Nos.3093216, 3093218, and 3093219, in respect of Classes 9, 12, and 27, respectively, dated 17.09.2016,17.09.2016, and 13.09.2016. These registrations are hereby declared to be invalid and are to be removed from the Register of Trade Marks.

103. Consequently, we direct that the Register of Trade Marks be rectified to reflect the removal of the impugned *ALPHARD* mark from the Register. The Registrar of Trade Marks is further directed to take immediate action to effect this rectification.

104. Let a copy of this judgment be forwarded to the Registrar of Trade Marks through the prescribed mode for due compliance and immediate action in accordance with the directions above.

105. The appeal is allowed. No order as to cost(s).

OM PRAKASH SHUKLA, J.

C. HARI SHANKAR, J.

MAY 04, 2026/*gunn/ss*